

SALONS TOLD TO PREPARE FOR "WAVE AND PAY"

Salons need to start planning for the arrival of "wave and pay" technology into their salons, amid predictions it will become an increasingly popular form of payment by the public within the next two years.

As yet, the technology remains in its infancy and can only be used for transactions worth less than £15, meaning it is unlikely to be immediately relevant to most hairdressing services.

But industry observers and technology analysts are predicting this will inevitably change as demand grows, and businesses need to start preparing.

Wave and pay – also known as "contactless payment" – enables customers to turn their mobile phone into a "digital wallet" to pay for goods.

Customers pay by simply waving enabled bank cards or smart phones over a special terminal located at the till.

There are around 27,000 such terminals already in place around the country, and big-name retailers such as **Pret A Manger**, **McDonald's**, **EAT**, **Tesco**, the **Co-op** and **Boots** already accept payment in this way in some of their outlets, with the **Post Office** recently announcing it will follow suit.

Banks have predicted the number of terminals will increase to a massive 25 million by next year, while **Russell Feldman**, technology and telecoms consultant at internet-based marketing research company **YouGov**, has said he expects customers will increasingly expect to see wave and pay as a payment option.

"If post offices are doing it you can see the technology will be widely available," he told *SalonFocus*.

Vodafone, **O2**, **Orange** and **Everything Everywhere**, the parent company of **T-Mobile**, have also formed a partnership to develop an "m-commerce platform", essentially meaning wave and pay.

Barclays has already rolled out contactless cards to all its customers while **Lloyds** has been running a pilot which it hopes to roll out later this year.

The technology behind this innovation is known as near-field communication (NFC) and the launch in September of an NFC payments App by **Google**, called **Google Wallet**, which can be used on its popular **Android** mobile phone system, was likely to accelerate take-up and usage of this new payment method, predicted **Russell Feldman**.

"I would think in a couple of years, when it has been evolved, it would be something that all retailers, including salons, would need to incorporate," he said.

"Salons would need to ensure they have a terminal that accepts NFC or contactless payment," he added.

Barclaycard told *SalonFocus* the cost of processing this form of payment for a small salon would be the same as existing card transactions, or possibly be even cheaper, and that equipment would be included as part of its business package.



WAVE AND PAY: TURNS PHONE INTO 'DIGITAL WALLET'

NHF SALONS LARGELY ESCAPE RIOT DAMAGE

Salons across the country were caught up in August's riots, but NHF members at least appeared to have emerged relatively unscathed.

A number of high-profile salon businesses were affected, including **Toni&Guy** and **Headmasters** in Clapham Junction, London, Tottenham barber **Aaron Biber** and salon group **Burlingtons**, which, like many, had to close its Birmingham and Manchester salons early because of rioting nearby.

But **Coversure Insurance Services**, the NHF's approved insurance broker, reported two of its insurers, **Sterling** and **Allianz**, had logged a provisional £7,500 worth of claims relating to property damage, split between just two London salons, as *SalonFocus* went to press.

Both insurers said they were fast-tracking the claims and doing all they could to ensure the businesses were back up and running as soon as possible.

At the time the NHF and its insurers moved swiftly to advise and support salons affected by or worried about the riots. An alert was issued on the Federation's website, www.nhf.info, because of conflicting information being published on social media and in the press about insurance cover.

This included a plan of action for liaising with police, how to carry out a security audit, advice on how to review contingency and business continuity plans and clarification on how to make insurance claims in the event of riot damage.

Elsewhere, insurer **SimplyBusiness** said it saw a 47 per cent rise in quote requests from independent beauty salons and a 33 per cent rise from hairdressers in the wake of the riots, suggesting businesses were actively revisiting their level of cover having seen how others had been affected.